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POLAND

Apparently fearing renewed strikes, the Polish Government yesterday announced that 8 million workers will receive pay increases in October. [REDACTED]

The government appears to have caved in to threats of a nationwide one-hour strike Friday--possibly to be followed by a general strike later in October. Independent trade unions apparently concluded that the regime was stalling on promised wage boosts. [REDACTED]

The government announced that the increases would be in accordance with the terms of the strike settlements reached at the end of August. Warsaw described the impending wage hikes as "temporary," probably to remind the workers that the economy requires a prompt resumption of full-scale work and a slowing of the rate of wage increases in the future. [REDACTED]

Leadership Problems

Party leader Kania, meanwhile, appears to be encountering considerable difficulty in his efforts to restore unity and a sense of direction to his regime. Kania's efforts are complicated by new pressure from workers and students, more bad economic news, and additional signs of Soviet concern over his regime's failure to regain the initiative. [REDACTED]

The date for a central committee meeting continues to be postponed, strongly suggesting that the leadership is having problems agreeing on personnel and policy matters. [REDACTED] said yesterday the session has now been rescheduled for tomorrow, but added that it could be delayed several days more. [REDACTED]

The session reportedly is slated to consider economic reforms, amendments in the labor law, changes in the structure of student organizations, and personnel changes in the party and the government. The plenum will also discuss the question of limiting the terms of office for party and government officials, something that former party leader Gierk once proposed but never implemented. [REDACTED]

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The regime's concern about the increasing student activism was evident yesterday when party leader Kania, Prime Minister Pinkowski, and Polish President Jablonski held an extended meeting with activists of the official union of students. The regime reportedly is willing to agree to more independent student organizations and is considering increasing economic assistance to students.

In making concessions, the regime no doubt hopes to inhibit the development of support for independent student unions. Over the weekend, a group of students meeting in Gdansk decided to form an independent student association to rival the official union. The students--supposedly including representatives from throughout the country--described their proposed organization as a non-political group open to all students. They reportedly anticipate difficulties in recruiting a large number of members, apparently because they believe many students will wait to see whether the official student union reforms it. The official union probably will unveil its plans for internal reform at a meeting of student leaders within the next two weeks.

The party's problems in the universities are not confined to students. The new free trade union of teachers and staff at Warsaw University is attempting to force the dismissal of the university's rector; he is considered to be a staunch party member with close contacts with the security apparatus.

Below Average Harvests

The government announced yesterday that this year's grain harvest amounted to a very disappointing 19 million tons. This is slightly above last year's disastrous crop, but still below the government's 23-million-ton target. In addition, the regime said the potato crop would fall 15 million tons below last year's record 46.8 million tons and sugar beet production would drop 4 million tons from last year's 14.2-million-ton crop.

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These low harvests spell further trouble for the Polish regime. Shortages of fodder reportedly are already causing farmers to slaughter cattle prematurely. Such distress slaughtering, even though it could cause a temporary bulge in meat supplies, would lower production in the long run. Holding down distress slaughtering and meeting promises of increased meat supplies would require stepped-up grain and meat imports.

Poland's agricultural problems this year are partly a result of widespread flooding in June and July. Discrimination against individual farmers in supplying scarce producer goods and insufficient investment, however, also have impaired productivity.

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